

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2006

	February-06				January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month Net ROR	Market Value	Allocation	Policy	Month Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	FYTD	FY05	Ended 6/30/2005	Ended 6/30/2005
LARGE CAP DOMESTIC EQUITY																				
<i>Structured Growth</i>																				
Los Angeles Capital	75,324	2.8%	2.8%	-1.19%	76,121	2.8%	2.8%	4.01%	76,107	2.9%	2.8%	3.06%	77,294	2.9%	2.8%	5.46%	11.70%	7.56%	N/A	N/A
Total Structured Growth	75,324	2.8%	2.8%	-1.19%	76,121	2.8%	2.8%	4.01%	76,107	2.9%	2.8%	3.06%	77,294	2.9%	2.8%	5.46%	11.70%	7.56%	7.46%	-9.18%
<i>Russell 1000 Growth</i>				-0.16%				1.76%				2.98%				4.01%	8.62%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																				
LSV	78,427	2.9%	2.8%	0.45%	78,106	2.9%	2.8%	4.63%	73,722	2.8%	2.8%	1.52%	77,827	2.9%	2.8%	5.06%	12.09%	18.35%	14.73%	14.78%
<i>Russell 1000 Value</i>				0.61%				3.88%				1.27%				3.88%	9.95%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	140,370	5.2%	5.6%	-1.22%	153,055	5.6%	5.6%	4.33%	151,184	5.7%	5.6%	2.29%	154,375	5.8%	5.6%	6.45%	12.22%	7.93%	N/A	N/A
<i>Russell 1000</i>				0.22%				2.80%				2.12%				3.95%	9.37%	7.92%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																				
Westridge	163,920	6.0%	5.6%	0.28%	163,479	6.0%	5.6%	2.68%	157,261	5.9%	5.6%	2.10%	149,468	5.6%	5.6%	3.64%	8.95%	6.58%	N/A	N/A
<i>S&P 500</i>				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	N/A	N/A
<i>Index</i>																				
State Street	50,299			0.26%	50,144			2.64%	48,257			2.07%	49,517			3.58%	8.80%	6.27%	8.22%	-2.45%
Total Index	50,299	1.8%	1.9%	0.26%	50,144	1.8%	1.9%	2.64%	48,257	1.8%	1.9%	2.07%	49,517	1.9%	1.9%	3.58%	8.80%	6.27%	8.22%	-2.45%
<i>S&P 500</i>				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	508,339	18.7%	18.8%	-0.35%	520,905	19.2%	18.8%	3.65%	506,531	19.0%	18.8%	2.20%	508,482	19.0%	18.8%	4.97%	10.80%	8.89%	9.55%	-0.28%
<i>S&P 500</i>				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																				
<i>Manager-of-Managers</i>																				
SEI	169,774	6.2%	6.3%	-0.09%	186,000	6.8%	6.3%	9.03%	170,567	6.4%	6.3%	0.95%	168,733	6.3%	6.3%	5.46%	15.98%	9.32%	13.32%	N/A
<i>Russell 2000 + 200bp</i>				-0.11%				9.13%				1.64%				5.21%	16.57%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	169,774	6.2%	6.3%	-0.09%	186,000	6.8%	6.3%	9.03%	170,567	6.4%	6.3%	0.95%	168,733	6.3%	6.3%	5.46%	15.98%	9.32%	13.32%	5.50%
<i>Russell 2000</i>				-0.28%				8.97%				1.13%				4.69%	15.06%	9.45%	12.81%	5.71%
INTERNATIONAL EQUITY																				
<i>Large Cap - Active</i>																				
Capital Guardian	106,545	3.9%	4.0%	-1.35%	120,770	4.4%	4.0%	5.35%	121,236	4.5%	4.0%	9.64%	112,860	4.2%	4.0%	12.11%	27.75%	10.32%	7.44%	-3.80%
LSV	110,139	4.0%	4.0%	1.73%	118,184	4.3%	4.0%	5.45%	107,658	4.0%	4.0%	4.29%	113,701	4.2%	4.0%	11.20%	24.42%	N/A	N/A	N/A
Total Large Cap - Active	216,684	8.0%	8.0%	0.18%	238,954	8.8%	8.0%	5.40%	228,894	8.6%	8.0%	6.96%	226,561	8.5%	8.0%	11.67%	26.11%	13.23%	12.39%	7.26%
<i>MSCI EAFE - 50% Hedged</i>				0.40%				4.98%				5.84%				11.07%	23.90%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>																				
Lazard	28,125	1.0%	1.0%	-1.00%	29,942	1.1%	1.0%	7.00%	26,883	1.0%	1.0%	3.01%	27,176	1.0%	1.0%	9.94%	19.97%	18.18%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-1.10%				6.20%				8.94%				12.05%	28.20%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>																				
Vanguard	27,054	1.0%	1.0%	0.62%	31,016	1.1%	1.0%	7.37%	27,756	1.0%	1.0%	4.92%	27,496	1.0%	1.0%	10.41%	25.15%	24.11%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				-1.10%				6.20%				8.94%				12.05%	28.20%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	271,864	10.0%	10.0%	0.10%	299,913	11.0%	10.0%	5.74%	283,532	10.6%	10.0%	6.37%	281,233	10.5%	10.0%	11.37%	25.41%	15.34%	10.62%	-2.10%
<i>MSCI EAFE - 50% Hedged</i>				0.40%				4.98%				5.84%				11.07%	23.90%	14.41%	8.84%	-2.61%
DOMESTIC FIXED INCOME																				
<i>Core Bond</i>																				
Western Asset	518,475	19.0%	18.3%	0.31%	505,937	18.6%	18.3%	0.44%	498,621	18.7%	18.3%	0.28%	497,705	18.6%	18.3%	-0.41%	0.63%	7.14%	7.36%	8.59%
<i>Lehman Aggregate</i>				0.33%				0.01%				0.59%				-0.67%	0.25%	6.80%	5.75%	7.40%
<i>Index</i>																				
Bank of ND	463,182	17.0%	18.3%	0.23%	450,395	16.6%	18.3%	-0.24%	448,616	16.8%	18.3%	0.44%	460,176	17.2%	18.3%	-0.84%	-0.41%	4.08%	5.66%	7.26%
<i>Lehman Gov/Credit (1)</i>				0.27%				-0.18%				0.60%				-0.96%	-0.28%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	518,322	19.0%	18.3%	0.59%	502,738	18.5%	18.3%	-0.02%	497,583	18.7%	18.3%	0.58%	492,054	18.4%	18.3%	-1.05%	0.09%	9.14%	9.20%	N/A
<i>Lehman US Credit BAA</i>				0.64%				-0.13%				0.39%				-0.97%	-0.08%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	1,499,978	55.1%	55.0%	0.38%	1,459,069	53.7%	55.0%	0.07%	1,444,819	54.2%	55.0%	0.42%	1,449,935	54.2%	55.0%	-0.76%	0.11%	6.14%	6.59%	7.79%
<i>Lehman Gov/Credit</i>				0.27%				-0.18%				0.60%				-0.96%	-0.28%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																				
<i>Bank of ND</i>																				
90 Day T-Bill	272,513	10.0%	10.0%	0.39%	251,609	9.3%	10.0%	0.39%	259,717	9.7%	10.0%	1.07%	267,314	10.0%	10.0%	0.93%	2.81%	2.46%	1.74%	2.68%
				0.33%				0.32%				0.92%				0.83%	2.41%	2.15%	1.55%	2.62%
TOTAL BONDING FUND	2,722,468	100.0%	100.0%	0.18%	2,717,496	100.0%	100.0%	1.96%	2,665,167	100.0%	100.0%	1.36%	2,675,696	100.0%	100.0%	2.13%	5.74%	6.51%	7.96%	4.19%
<i>POLICY TARGET BENCHMARK</i>				0.25%				1.49%				1.48%				1.62%	4.92%	6.74%	6.72%	3.88%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.